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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20054

SEP - 5 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
Petition of WorldCom, Inc. Pursuant)
to Section 252(e)(5) of the)
Communications Act for Expedited)
Preemption of the Jurisdiction of the)
Virginia State Corporation Commission)
Regarding Interconnection Disputes)
with Verizon-Virginia, Inc., and for)
Expedited Arbitration)

CC Docket No. 00-218

REBUTTAL TESTIMONY OF DONATO GRIECO

(Issues 111-4, IV-3, IV-4, IV-5, IV-6, IV-12, VI-1(A), VI-1(B), and VI-1(C))

September 5, 2001

043

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1 **Issue III-4**

2 *Should the Interconnection Agreement include detailed provisions addressing network*
3 *servicing responsibilities, including the development and exchange of joint non-binding*
4 *forecasting responsibilities; Verizon's financial responsibility to provision trunks within*
5 *the stated interval; the grade of service (blocking standard) to be maintained; trunk*
6 *ordering procedures and trunk provisioning intervals; procedures for planning and*
7 *provisioning of major projects; and testing of trunks prior to turn up? (Attachment IV,*
8 *Sections 4 - 4.3.6).*

9
10 **Q. Is this issue limited to the question of inbound and outbound forecasts?**

11 A. No. As is clear from the statement of issue presented by WorldCom, this issue
12 deals with network servicing responsibilities. These include forecasting, but also address
13 how forecasts should be used, grade of service and trunk ordering and servicing, among
14 other things. This issue was discussed with Verizon during mediation, and WorldCom
15 reiterated at that time that this issue encompasses a broader range of issues than simply
16 forecasting.

17
18 **Q. In its Direct Testimony, did Verizon respond to issues other than inbound**
19 **and outbound forecasts?**

20 A. No. Verizon first maintains that the the issue of inbound and outbound forecasts
21 with WorldCom has been resolved. WorldCom takes that assertion to mean that Verizon
22 has dropped its proposal to impose financial penalties on WorldCom in the event that
23 WorldCom's forecasts are not perfectly accurate. In its Direct Testimony, Verizon also

1 maintained that WorldCom's language in Sections 4.1 (Trunk Forecasting) and 4.3
2 (Trunk Servicing) was "unnecessary" because they are "already adequately handled on an
3 informal basis." Verizon did not address Section 4.2 (Grade of Service).

4
5 **Q. Is it unnecessary to address trunk forecasting and trunk servicing in the**
6 **interconnection agreement?**

7 A. No. It is important to address such issues in the interconnection agreement in
8 order to avoid disputes about such matters in the future.

9
10 **Q. Why is it important to address forecasting in the Interconnection**
11 **Agreement?**

12 A. I am uncertain why Verizon would claim that it is unnecessary to address
13 forecasting in the interconnection agreement. In order to have any value at all, the parties
14 need to determine what forecasts should contain, how often they should be exchanged,
15 and how they should be used.

16 It is my understanding that the parties have reached agreement on many of these
17 details, specifically:

- 18 1. The parties will meet to review forecasts and trunking requirements twice
19 per year on a schedule that is consistent with the Parties' budget cycles.
- 20 2. Verizon will provide WorldCom with DIXC data for both 1-way and 2-
21 way trunks.
- 22 3. WorldCom will provide 2-year forecasts (current year +1).
- 23 4. Verizon will concur or disagree with a forecast within 30 days.

1 5. If forecasts of growth turn out to be off by 50% or more, the parties will
2 meet to revise.

3 6. If a forecast is agreed to by Verizon, the parties will examine trunks after
4 60 days. Trunks will be added if utilization is 80% or more, and trunks will be
5 removed if utilization is 60% or less, always leaving a 15% overhead.

6 7. If a forecast is not agreed to by Verizon, the parties will wait 90 days to
7 see if forecast was accurate. If the forecast is not accurate, adjustments will be
8 made as described above.

9 WorldCom has agreed, as demanded by Verizon, to do forecasting for both
10 parties. Because Verizon will not provide any forecasting, it is appropriate to adopt
11 WorldCom's language, modified as indicated below to take into account the above-
12 referenced agreed to items, into the interconnection agreement. (This language has been
13 proposed to Verizon, although we have not yet received a response).

14 The Parties shall meet at least twice per year to discuss traffic forecasts. To the
15 extent possible, the meetings shall be coordinated to fit within each Party's
16 respective capital budget cycle. At each forecast meeting, MCIm shall provide
17 forecasts for one-way and two-way traffic. MCIm's forecasts for Verizon-
18 originated traffic shall be based on DIXC data provided by Verizon to MCIm for
19 both one-way and two-way trunks.

20
21 If, prior to the next regularly scheduled forecast meeting, the Parties discover that
22 a forecast was in error by 50% or more, the Parties shall meet as soon as
23 practicable to revise the forecasts.

24
25 If a forecast is agreed to by Verizon, the Parties will monitor trunk usage after 60
26 days from the implementation of the trunks pursuant to the forecast. If trunk
27 utilization is 80% or more, then trunks will be added. If trunk utilization is 60%
28 or less, then trunks will be removed to bring the utilization over 60%.

29
30 If a forecast is not agreed to by Verizon, the Parties will wait 90 days after
31 implementation of the trunks pursuant to the forecast, in order to allow usage
32 levels forecasted by MCIm to be achieved. After this 90-day period, the trunk
33 usage shall be adjusted as described above.

1
2 Grades of service for trunks shall be as described in this Agreement.
3 Unless otherwise specified in this Agreement, orders between the Parties to
4 establish, add, change, or disconnect trunks shall be processed by use of an
5 Access Service Request (“ASR”) from MCI to Verizon, using OBF standards.
6
7 At either Party’s request, the Parties shall work cooperatively to coordinate major
8 large network interconnection projects that require related work activities between
9 and among Verizon and MCI work groups, including but not limited to, the
10 initial establishment of Local Interconnection Trunk Groups or Meet Point Trunk
11 Groups and service in a new area, NXX code moves, re-homes, facility grooming,
12 or network rearrangements. Major projects will be provisioned within a
13 reasonable time.
14
15 MCI and Verizon agree to exchange escalation lists which reflect contact
16 personnel, including vice president-level officers. These lists shall include name,
17 department, title, phone number, and fax number for each person. MCI and
18 Verizon agree to exchange an up-to-date list promptly following changes in
19 personnel or information.
20
21 The Parties shall cooperate with each other to test all trunks prior to turn up.
22

23 **Q. Why is it important to address grade of service and trunk ordering and**
24 **provisioning in the Interconnection Agreement?**

25 A. It is important to address grade of service in order to insure an adequate level of
26 service to customers. It is my understanding that the parties have agreed to a peak busy
27 hour blocking standard of 1%, and ½% for trunks carrying interstate traffic, and Verizon
28 did not object to WorldCom’s language on this subject in its testimony. Given the
29 agreement of the parties, there is no reasonable basis for any objection to including these
30 standards in an interconnection agreement between the parties. Including these standards
31 in an interconnection agreement would eliminate uncertainty about the required grade of
32 service, and prevent either party from providing substandard service.

1 It is also important to address trunk ordering and provisioning in order to insure
2 that there is a common process for ordering and provisioning trunks. Without a common
3 process, it would become extremely difficult, if not impossible, to order or provision
4 trunks. It is my understanding that the parties have agreed to the following compromise
5 language with regard to trunk ordering and provisioning:

- 6 1. Unless otherwise specified in this Agreement, orders between the Parties
7 to establish, add, change, or disconnect trunks shall be processed by use of
8 an Access Service Request (ASR) from MCIIm to Verizon, using OBF
9 standards.
- 10 2. At either Party's request, the Parties shall work cooperatively to
11 coordinate major large network interconnection projects that require
12 related work activities between and among Verizon and MCIIm work
13 groups, including but not limited to, the initial establishment of Local
14 Interconnection Trunk Groups or Meet Point Trunk Groups and service in
15 a new area, NXX code moves, re-homes, facility grooming, or network
16 rearrangements. Major projects will be provisioned within a reasonable
17 time.
- 18 3. MCIIm and Verizon agree to exchange escalation lists which reflect
19 contact personnel, including vice president-level officers. These lists shall
20 include name, department, title, phone number, and fax number for each
21 person. MCIIm and Verizon agree to exchange an up-to-date list promptly
22 following changes in personnel or information.

1 consistent with WorldCom's understanding and with the use of the term by every other
2 ILEC with whom WorldCom interconnects.

3

4 **Q. Please summarize Verizon's testimony on this issue.**

5 A. Verizon asserts that it is opposed to automatic triggers. It also asserts that
6 WorldCom's proposal would require Verizon to "track individual equipment utilizations
7 on the multitude of specific pieces of network interoffice facilities ("IOF") equipment
8 that WorldCom's transport circuits happen to traverse." Verizon VA's Direct Testimony
9 on Mediation Issues (Network Architecture) at 7-8. Verizon also asserts generally that
10 WorldCom's proposed 50% figure is too low, and that capacity issues can be addressed
11 through the use of additional electronics.

12

13 **Q. Is Verizon's claim that it is "virtually impossible" to track facility utilization**
14 **accurate?**

15 A. No. Verizon attempts to portray WorldCom's proposal as something it is not. In
16 order to track facility utilization, it is not necessary to track the utilization of each
17 electronic component in the network. It is only necessary to compare total traffic volume
18 to total facility capacity. Both Verizon and WorldCom do this on a continuous basis.

19

20 **Q. Does Verizon accurately describe WorldCom's requested facility**
21 **augmentation?**

22 A. It does not. Verizon makes the absurd claim that WorldCom wants Verizon to
23 add fiber cables upon reaching 50% facility utilization. This statement is simply untrue.

1 In most cases where facility augmentation is required, this can be accomplished by the
2 kind of “simple electronics modification” described by Verizon in its testimony. In other
3 cases, more extensive augmentation may be required. It is impossible to determine what
4 kind of augmentation will be required in advance; it is only possible to determine when
5 augmentation should take place. Accordingly, WorldCom’s language proposes a
6 threshold at which augmentation – whether accomplished by the addition of electronics
7 or by the installation of additional fiber when necessary – will occur.

8 It is also important to note that in most cases the augmentation of interconnection
9 facilities requires equal work by both parties. This creates adequate incentive to prevent
10 unnecessary facility augmentation, as both parties will incur similar costs.

11

12 **Q. Does Verizon adequately address the need for facility augmentation raised in**
13 **this issue?**

14 A. It does not. Indeed, notwithstanding its claim to comprehend the distinction
15 between facilities and trunks, Verizon claims that its proposed language regarding trunk
16 provisioning and forecasting addressed in the previous issue (III-4) addresses the facility
17 augmentation problem raised in this issue. Trunks and facilities are not the same, and
18 trunk provisioning and forecasting does not address when facilities must be augmented.

19

20 **Q. Why has WorldCom proposed that Verizon augment when facilities are at**
21 **50% capacity?**

22 A. Verizon has indicated to me that it has an 18-month cycle from initial forecast to
23 facility availability. In other words, it takes Verizon 18 months to construct necessary

1 facilities after receiving CLECs' demand forecasts. This is an absurdly long interval in
2 this industry, and we have constantly run into capacity constraints with Verizon as a
3 result. Moreover, even when WorldCom provides accurate forecasts, Verizon does not
4 always act on them and ensure that adequate facilities are available. I am aware of
5 numerous instances in which Verizon has been unable to fulfill WorldCom's orders
6 because it does not have the facilities in place. Delays of weeks or even months beyond
7 their targeted provisioning intervals are not uncommon. These delays are not limited to
8 any geographical area. Instead, WorldCom experiences them throughout the Verizon
9 region. I am aware of one current example from New Jersey, for example, which
10 involves an order placed in March, 2000 that was finally filled in August, 2001. Another
11 recent example occurred in Virginia. On August 23, 1999, we submitted an application
12 with then Bell Atlantic to add fiber to our point of interconnection at the Arlington,
13 Virginia tandem facility. The application was denied because there was no path (conduit)
14 available to get from the street to our collo. They finally completed the construction
15 allowing us to run the fiber to our collocation cage in the third quarter of 2000. During
16 that year plus of waiting, we had to cap our point of interconnection and find alternate
17 means of augmenting interconnection trunking to support our local switch in Reston.
18 Had Verizon built to meet our forecast in a reasonable timeframe, they would have been
19 ready for our application. These are merely examples of the types of delay we routinely
20 experience based on insufficient facilities.

21 Because WorldCom depends on Verizon for these facilities, it is critical that such
22 facilities are available when needed. As these examples illustrate, however, it is
23 WorldCom's experience that Verizon will not always have adequate facilities available,

1 even when accurate forecasts are provided well in advance. WorldCom's proposed
2 contract language provides a reasonable means of insuring the maintenance of adequate
3 interconnection facilities between the parties' networks.

4
5 **Issue IV-4**

6 *Should the Interconnection Agreement include terms specifying that Verizon shall*
7 *respond to a request for Interconnection within ten business days after the date of the*
8 *request; will provide any information available to it regarding adverse environmental or*
9 *other conditions at a point of Interconnection or the Interconnection route; shall allow*
10 *WorldCom to perform any site investigations, including, but not limited to, asbestos*
11 *surveys, which WorldCom may deem to be necessary in support of its interconnection*
12 *needs; and will make alternative routes available for WorldCom's consideration if*
13 *Interconnection is complicated by the presence of environmental contamination or other*
14 *conditions? (Attachment IV, Sections 1.1.4-1.1.4.4)*

15
16 **Q. Please summarize this issue.**

17 A. The parties appear to have agreed in principle on every aspect of this issue other
18 than the language requiring Verizon to provide WorldCom with information in Verizon's
19 possession related to environmental and other hazards located at a point of
20 interconnection or along an interconnection route. Accordingly, the Commission should
21 adopt WorldCom's proposed sections 1.1.4 and 1.1.4.1 (which memorialize the
22 agreement that Verizon will respond in writing to MCI's request for interconnection

1 within ten days). The remainder of WorldCom's proposed language (sections 1.1.4.2
2 through 1.1.4.4) relates to the environmental and other hazards issues, discussed below.

3
4 **Q. Please summarize Verizon's testimony.**

5 A. Verizon objects to providing information regarding environmental and other
6 hazardous site conditions except to the extent it is required to do so "by applicable law."
7 Verizon also objects to some of the specific language contained in WorldCom's proposal.
8 Finally, Verizon concedes that nearly identical provisions are contained in the current
9 interconnection agreement, but states that WorldCom never requested such information
10 from Verizon in the past.

11
12 **Q. Does Verizon's offer to provide WorldCom with environmental and other**
13 **hazardous conditions information "in accordance with applicable law" satisfy**
14 **WorldCom's concern with regard to this issue?**

15 A. It does not. Verizon apparently wants to withhold such information from
16 WorldCom unless it is affirmatively required to provide such information pursuant to
17 law. As an initial matter, WorldCom does not understand what Verizon intends this
18 proposed limitation to mean. Verizon does not indicate, for example, whether in its view
19 applicable law requires it to provide any such information at all. Nor does WorldCom
20 think there is any good faith basis in law or public policy to justify the withholding of any
21 information available to Verizon regarding adverse environmental or other conditions
22 involving a POI or the Interconnection route or location as proposed by WorldCom.

1 Where the safety of WorldCom's employees may be at issue, there is simply no excuse to
2 withhold such information if Verizon has access to it.

3
4 **Q. What other objections has Verizon raised to providing WorldCom with**
5 **environmental and other hazardous conditions?**

6 A. Verizon asserts that WorldCom's language requires it to provide such information
7 within ten days. That is incorrect. WorldCom's language does not set a time by which
8 Verizon must provide it with such information, it only requires Verizon to provide it. I
9 suspect that Verizon's confusion is caused by the section numbers in WorldCom's
10 language. WorldCom does not object to changing the section numbers to clarify this
11 point.

12 Verizon also objects to WorldCom's definition of "available" information.
13 WorldCom, however, seeks only that information which is in Verizon's control. The
14 definition encompasses former employees, for example, because former employees
15 frequently consult with their employers. In such circumstances, Verizon retains control
16 over the information and should provide it where appropriate.

17
18 **Q. Does Verizon accurately describe WorldCom's request to perform site**
19 **investigations?**

20 A. No. Verizon falsely claims that WorldCom requests that it be allowed to do site
21 surveys for any purpose at any time. WorldCom's proposed language does not grant
22 WorldCom such a right, however. Instead, it only allows WorldCom "to perform any site

1 investigations, including, but not limited to, asbestos surveys, which MCIm may deem to
2 be necessary in support of its interconnection needs.”

3 There is nothing unreasonable about this request. If environmental or other health
4 hazards exist at a site, WorldCom should certainly be able to inspect the site to determine
5 whether, in its view, the site is so contaminated that it is unsuitable. It is equally
6 reasonable for WorldCom to be able, more generally, to survey a site to determine
7 whether it is suitable for WorldCom’s needs. This is especially true given the potential
8 amounts that WorldCom may be investing in a particular site. Verizon, for example,
9 proposes to charge WorldCom approximately \$150,000.00 for a 200 square foot
10 collocation space. The assertion that Verizon can impose such charges on WorldCom
11 while denying WorldCom the ability to even survey the site to determine whether it is
12 suitable is itself flatly unreasonable.

13
14 **Q. Does section 13 of Verizon’s proposed agreement adequately address**
15 **WorldCom’s concerns with regard to this issue?**

16 A. No. Although Verizon indicates that Section 13 of its proposed agreement should
17 address WorldCom’s concerns, in fact, Section 13 does not address this issue at all.

18
19 **Issue IV-5**

20 *Should the Interconnection Agreement include a provision specifying that there will be no*
21 *compensation between the Parties for use of the interconnection facilities except in those*
22 *cases where a Party may lease interconnection facilities from the other? (Attachment IV,*
23 *Sections 1.1.6.6, 1.25)*

1 **Q. Does Verizon’s testimony address the issue of compensation between the**
2 **parties for the use of joint interconnection facilities raised in this issue?**

3 A. Not really. This issue deals with compensation between the parties for use of
4 interconnection facilities except in those cases where a party may lease such facilities
5 from the other. Verizon’s testimony raises several unrelated issues, including points of
6 interconnection, unspecified “costs of interconnection” (which, astonishingly, Verizon
7 claims WorldCom must pay, including a reasonable profit, to Verizon), and allocating the
8 cost of mid-span meets.

9 At mediation, WorldCom stated that the language it proposed was intended to
10 clarify that there would be no charges, such as trunk installation charges or monthly
11 recurring charges, between the parties for use of joint interconnection facilities. Verizon
12 stated that it agreed with WorldCom’s language as it related to non-recurring charges, but
13 needed to check on recurring charges. It further stated that it believed that this issue was
14 similarly addressed by language it proposed in section 7.2, which states: “Except as
15 expressly specified in this Agreement, no additional charges shall apply for the
16 termination from the IP to the Customer of Local Traffic delivered to the Verizon-IP by
17 **CLEC or the **CLEC-IP by Verizon.”

18 Verizon has now filed testimony with regard to the issue of non-recurring and
19 recurring charges between the parties for the use of joint interconnection facilities. Its
20 testimony, however, seems backwards from what it stated during mediation. It now
21 claims that it does not bill any recurring trunk charges, but that its reciprocal
22 compensation rate does not include nonrecurring trunk charges. WorldCom is unclear as
23 to what this means. However, to the extent that Verizon believes that it is appropriate to

1 impose any trunk charges, recurring or non-recurring, for the use of joint interconnection
2 facilities, WorldCom flatly disagrees. Verizon has provided no basis to depart from the
3 well-settled principle that each party bears the cost of joint interconnection facilities.

4
5 **Issue IV-6**

6 *Should the Interconnection Agreement contain detailed terms addressing Meet Point*
7 *Trunking arrangements for the joint provisioning of switched access services, including*
8 *terms specifying the location and capacity of the trunks; the use of Common Channel*
9 *Signaling, or in exceptional circumstances MF signaling; the routing and handling of*
10 *Toll Free Service over Meet Point Trunk Groups; and the use of GR-317 or GR-394 for*
11 *FGB calls? (Attachment IV, Sections 1.4 - 1.4.7)*

12
13 **Q. What was Verizon's response to WorldCom's Statement of Unresolved**
14 **Issues with regard to Meet Point trunking arrangements?**

15 A. Verizon failed to respond in any meaningful way. WorldCom has articulated a
16 number of problems with Verizon's counter-proposal (e.g., insufficient detail for
17 adequate provisioning, requiring WorldCom to purchase Meet Point trunk groups from
18 out of its access tariff, requiring WorldCom to segregate toll free traffic from other types
19 of meet point traffic, refusal to work cooperatively to combine interconnection trunk
20 groups). These are outlined in my Direct Testimony, and were raised during the
21 mediation of this issue. Nonetheless, Verizon continues to assert without explanation that
22 its language "should satisfy WorldCom's concerns." It does not.

1 Verizon's only stated objection to WorldCom's language has to do with
2 WorldCom's request "to work cooperatively to combine all functionalities of Local
3 Interconnection and Meet Point Trunk Groups on a single Interconnection trunk group
4 (Combination Interconnection Trunk Group)." As an initial matter, this is entirely
5 separate from the language dealing with Meet Point trunk groups. Accordingly, Verizon
6 has not raised any objection to that portion of WorldCom's proposed language, and thus
7 WorldCom's language should be adopted in its entirety.

8 Verizon's objection with respect to the discrete issue of combination trunks is
9 meritless. As explained in my Direct Testimony, this issue is dealt with in more detail in
10 WorldCom's testimony related to issue IV-34. I reiterate, however, that Verizon's
11 refusal to work cooperatively with WorldCom to establish combination trunk groups is
12 unreasonable, anticompetitive and violates Verizon's duty to negotiate and interconnect
13 with WorldCom at any technically feasible point using any technically feasible means
14 requested by WorldCom as required by the Act. The technical feasibility of this method
15 of interconnection has already been established by its use by other ILECs and by Verizon
16 itself. Verizon's objection to this method of interconnection is apparently based on
17 deficiencies in its legacy billing system, which the FCC has unambiguously declared do
18 not create issues of technical feasibility. See, e.g., 47 CFR § 51.5 (definition of
19 technically feasible). Therefore, WorldCom's proposed language should be incorporated
20 into the parties' interconnection agreement.

1 **Issue IV-12**

2 *Should the Interconnection Agreement include detailed provisions addressing the*
3 *responsibilities of the parties for complying with requests for audits of usage reports; the*
4 *responsibilities of the parties for control office functions, coordination, installation,*
5 *testing, and maintenance, of trunk groups; responsibility to notify one another of service*
6 *affecting changes; responsibility to coordinate testing activity with one another; perform*
7 *sectionalization to identify the location of troubles; advise one another of equipment*
8 *failures; provide trouble reporting contact numbers, test-line numbers, and implement*
9 *coordinated repair procedures?(Attachment IV, Section 8 - 8.5.8)*

10
11 **Q. What is the status of this issue?**

12 A. This issue has been resolved.

13
14 **Issue VI-1(A)**

15 **(Trunk Types)**

16
17 **Q. What is the status of this issue?**

18 A. Verizon has not filed testimony with regard to this issue. WorldCom has
19 proposed detailed contract terms concerning trunk types. See, e.g., WorldCom Proposed
20 Interconnection Agreement (“WorldCom Proposed ICA”) Attachment IV, §§1.2-1.7.
21 These sections propose various trunk groups including 911, OS/DA, Local
22 Interconnection trunks and other trunk groups. Given that Verizon has identified no
23 aspects of WorldCom’s trunking proposal with which it disagrees, the Commission

1 should order the inclusion of these terms in the interconnection agreement between the
2 parties.

3

4

Issue VI-1(B)

5

(Transmission and Routing of Telephone Exchange Access Service Traffic)

6

7 **Q. Has Verizon accurately stated WorldCom's objections to its proposed section**
8 **5?**

9 A. No. As I explained in my Direct Testimony, Verizon's proposed language is
10 objectionable for a number of reasons. They include Verizon's limitation of local
11 interconnection trunk interfaces to DS-1 and DS-3 even though other interfaces are
12 technically feasible; Verizon's limitation of DS-3 interfaces to locations designated in the
13 NECA 4 tariff as Intermediate Hub Locations in violation of its obligation to interconnect
14 at any technically feasible point; and Verizon's inappropriate allocation of two-way
15 trunking costs. These objections are detailed in my direct testimony.

16 Verizon claims, however, that the "real issue" is whether WorldCom must order
17 DS-3 facilities to the Verizon VA central office that is designated as an intermediate or
18 terminus hub location at which 3/1 multiplexing is performed. Verizon apparently
19 believes that because WorldCom's interexchange carriers design their networks in such a
20 manner, that WorldCom's local exchange carriers are required do likewise. This, of
21 course, is incorrect.

22

1 **Q. Are WorldCom's local exchange carriers required to interconnect with**
2 **Verizon in the same manner as interexchange carriers?**

3 A. Obviously not. Local exchange and interexchange carriers are subject to quite
4 different regulatory schemes. This arbitration deals with Verizon's obligations to
5 WorldCom's local exchange carrier under the Act, and the Act requires Verizon to
6 interconnect with WorldCom at any technically feasible point requested by WorldCom,
7 and to modify its facilities to the extent necessary to accommodate such interconnection.
8 See, e.g., 47 USC § 251(c)(2)-(3); 47 CFR § 51.305 & 51.321(a); Local Competition
9 Order ¶ 198. Verizon's proposal would limit interconnection interfaces to DS-1 and DS-
10 3 levels only. WorldCom wants the option to use other types of technically feasible
11 interconnection interfaces such as fiber, and other higher capacity interfaces. Verizon is
12 required to provide such interfaces to WorldCom upon request. See, e.g., 47 CFR
13 51.319(d)(1)(A) (requiring dedicated transport at any technically feasible capacity-related
14 service including, but not limited to, DS1, DS3 and OCn levels).

15
16 **Q. Is WorldCom limited to interconnection at hub locations designated by**
17 **Verizon?**

18 A. No. As I stated above, Verizon is required to interconnect with WorldCom at any
19 technically feasible point requested by WorldCom. Verizon's lengthy discussion of how
20 interexchange carriers order DS-1s and DS-3s in accordance with Verizon's tariffed hub
21 locations misses the point. For local switching, WorldCom does not order DS-3s to
22 Verizon hub locations. WorldCom orders DS-3s (or other technically feasible capacity-

1 related services) from the point of interconnection to Verizon tandems. To my
2 knowledge, all Verizon tandems have 3/1 DXCs.

3
4 **Q. Is WorldCom financially responsible for the design of Verizon's network**
5 **beyond the point of interconnection?**

6 A. No. The Act quite clearly requires Verizon to interconnect with WorldCom at
7 any technically feasible point, and to modify its facilities to the extent necessary to
8 accommodate such interconnection. Each party is financially responsible for the design
9 of its own network up to the point of interconnection. The costs of interconnection are
10 apportioned in accordance with each company's relative use of the interconnection
11 facilities. How Verizon designs its network or routes our trunks from the point of
12 interconnection to their end offices is their responsibility. Verizon's attempt to shift the
13 costs of its network design to WorldCom is not permitted under the Act. Contrary to
14 Verizon's claim, interconnection at a DS-3 level is not an "expensive" form of
15 interconnection. It is a standard form of interconnection. Indeed, Verizon's complaint
16 does not really relate to the cost of the interconnection at all. Rather it relates to how
17 Verizon transports and terminates calls on the Verizon network. This issue has nothing
18 to do with the cost of interconnection.

19
20 **Q. Do you agree with Verizon's summary of the agreement of the parties as it**
21 **pertains to the rest of Verizon's proposed section 5?**

1 A. In part. Although WorldCom does not dispute Verizon's proposed language in
2 Section 5.2.4, the parties have, I believe, agreed to add it to the language proposed by
3 WorldCom for Issue IV-3.

4 It is my understanding that the parties have memorialized their agreement to
5 amend Verizon's proposed language in Section 5.2.5 to read: "Each Party shall route
6 traffic in accordance with the LERG," and to amend Verizon's proposed language in
7 Section 5.2.6 to read: "Each Party shall provide the other Party with signaling necessary
8 for the routing and completion of the other Party's traffic in accordance with this
9 Agreement." The parties have agreed to delete Verizon's proposed language in Section
10 5.2.7.

11 **Issue VI-1(C)**

12 **(Toll Free Service Access Code Traffic)**

13
14 **Q. What is your understanding of the parties' position on this issue?**

15 A. It is my understanding that the parties have agreed to all of the changes described
16 in my direct testimony except with regard to the imposition of the tandem switching
17 charge. With regard to that issue, the parties have not yet reached agreement on a
18 clarification requested by WorldCom, that the tandem switching charge is part of
19 Verizon's access tariff, and therefore properly charged to the applicable interexchange
20 carrier which makes use of Verizon's tandem switching service, not WorldCom, which is
21 the CLEC terminating the call. The disputed language is set forth below:

22 10.2. MCI's Tariffed Feature Group D ("FGD") Switched Exchange Access
23 and the MCI query charge, shall be assessed to the toll free service access code
24 service provider; and Verizon shall assess applicable Tandem Transit Service
25 charges and associated pass through charges to the toll free service access code

1 service provider ~~W~~hen Verizon delivers toll free service access code calls that
2 have been queried to an “800” database, originated by Verizon’s or another
3 LEC’s Customers, to MCI: Im:
4

5 **Q. Why was the reference to reciprocal compensation stricken in the language**
6 **proposed in your direct testimony?**

7 A. Toll Free Service Access Code (eg 800/888/877) Traffic is not local traffic and
8 reciprocal compensation is not applicable. These types of calls are toll free to the end-
9 user, but they are not local calls (for example the 800 NPA is not in the local calling area
10 of any NPA-NXX). Although they are toll free to end-users, they are subject to switched
11 access charges not reciprocal compensation.

12
13 **Q. Does this conclude your testimony?**

14 A. Yes it does.

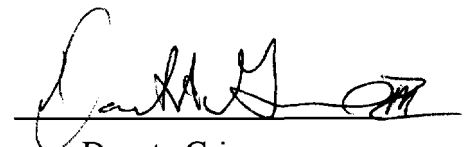
**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION**

In the Matter of)	
Petition of WorldCom, Inc. Pursuant)	
to Section 252(e)(5) of the)	
Communications Act for Expedited)	
Preemption of the Jurisdiction of the)	CC Docket No. 00-218
Virginia State Corporation Commission)	
Regarding Interconnection Disputes)	
with Verizon-Virginia, Inc., and for)	
Expedited Arbitration)	

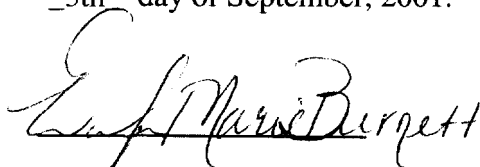
AFFIDAVIT OF DONATO GRIECO

The undersigned, being of lawful age and duly sworn on oath, certifies the following:

I, Donato Grieco, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.


Donato Grieco

Subscribed and Sworn to before me this
5th day of September, 2001.


Notary Public